

A
PROPOSAL

For PAYING off the
PUBLICK DEBTS
BY
Erecting a NATIONAL
CREDIT.

Humbly Offered
To the HONOURABLE the
COMMONS
OF
GREAT-BRITAIN
In PARLIAMENT Assembled.

By JOHN CARY, Esq;

LONDON:

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IN PARLIAMENT ASSEMBLED.

BY JOHN CARY, ESQ.
OF THE TEMPLE, ESQ.
LONDON:
Printed by J. COLLIER, at the Golden Rule, in St. Dunstons Church-yard, near St. Pauls.
1790.

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THE
PROPOSAL
OF
John Cary, Esq;

For the more easy Sinking the Publick Debts of the Nation, by such Methods, as shall Encourage our Trade, Employ our Poor, and be Advantageous to every Subject of this Kingdom, Humbly Offered to the Consideration of the Honourable the Knights, Citizens and Burgeses, of *Great-Britain*, in Parliament Assembled.



H A T a National Bank be Erected, on the Credit, and by the Authority of Parliament ; whose Chief Chamber shall be settled in *London*, but dependant lesser Chambers in such other Places of the Kingdom,

I.

dom, as may best Answer the Occasions of the Country; These to Account with that of *London*, and That with Commissioners appointed by Parliament.

II. **T H A T** this Bank shall receive into it, all Money that shall be offered, either as Running-Cash, or on Loans for a time Certain, and shall allow Interest for it, after the Rate of *per Cent. per Annum*, in the manner following; and shall give Receipts for the same accordingly, *viz.*

For Running Cash thus.

I promise to pay unto *A. B.* or Bearer, One Hundred Pounds on Demand, being for so much he hath paid into the National Bank of *Great-Britain*, with Interest after the Rate of *per Cent. per Annum*, after One Month from the Date hereof, until it be delivered up, or paid into the Government.

And so for a greater or lesser Sum.

B Y this Method the Bank saves a Months Interest, on every Alteration of a Cash Note, and it wholly Ceases, when paid in to the Government, on account of Customs, Excises, or any other Taxes; and yet the Proprietor may thereby make more Advantage of his Running-Cash, then he can do any other way.

B U T if any Person doth Lend his Money for a Time Certain, not less then Six Months, then the Receipt, or Bill, to be after

after this, or such like manner.

THIS Bill bindeth the National Bank of *Great-Britain*, to pay unto *A. B.* or Order, One Hundred Pounds, on the day of with Interest after the Rate of *per Cent. per Annum*, to be paid Quarterly, if demanded; being for so much he hath this day paid into the said Bank.

By this Method, the Lender will be duly paid his Interest to serve his Occasions, during the time of his Loan, which may be for a longer or shorter time (not less than Six Months) as he pleases, and at the Expiration thereof, he may Enlarge the Time, or take out his Money, as he finds most Convenient for him; and if he wants it sooner, may Assign his Bill to any other.

THAT Trustees may put the Money belonging to Orphans into this Bank, and be thereby Discharged for so much of their Trusts, the Interest thereof to be duly Issued out to them, for the Maintenance of the said Orphans.

THAT this Bank do supply the Government, with such Sums upon Loans, as shall be directed by Parliament, at the Rate of *per Cent. per Annum* Interest, to be accounted from the time the Money is paid, to the time it is repaid; and that the present Funds, as they are Redeemed, shall be settled upon it, for the Security of the

III.

IV.

the Lenders, in such a manner as the Parliament shall think fit.

V. **T H A T** this Bank shall have Liberty to Lend out any Sum again on Reasonable Security, the Borrower paying Interest after the Rate of *per Cent. per Annum*, till he shall think fit to pay it in; which he shall be admitted to do, by such parts as he can conveniently spare it, and be from that time Discharged from the Interest of what he so pays.

VI. **T H A T** for the Benefit of Returns of Money from Place to Place, Bills shall be drawn at the chief Chamber in *London*, payable in any of the Chambers in the Country, or at any of those Chambers, payable in the Chamber of *London*, or any other of the Country Chambers, as desired; For which Returns, there shall be allowed after the Rate of *per Cent. per Annum* for every Hundred Pounds, in the Chamber where the Bills are paid.

VII. **T H A T** for the better Securing the Money that shall be Lent by this Bank, the Debts thereto contracted, shall be of the same Nature, with Debts contracted to the King, and be first paid out of the Estates of the Debtors.

VIII. **T H A T** the Profits of this Bank shall wholly redound to the Benefit of the Publick, whereby the Debts of the Nation will be sunk by degrees.

T H A T

T H A T an Account be returned up every Three Months from each of the Country Chambers, to the Grand Chamber in *London*, to be there Examined by the Commissioners; and that they do State the Account of the whole, once in every Year, and lay it before the Parliament, in such a manner, as shall be by them directed.

IX.

T H A T this Bank be made a Corporation, with a Common Seal, if the Parliament thinks fit, and the Money lent thereto be freed from Taxes.

X:

T H A T it be Extended to *Ireland*.

XI.

T H E Advantages that will arise from the Settlement of such a Bank, will soon appear to be Many and Great; among which, I shall only mention a few.

T H E Government may hereby at all times depend on a Certain and Speedy Supply, of such Sums of Money, as shall from time to time be directed by Parliament, at a low Interest.

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T H E Lender may at all times make a certain Profit of his Money, without lying Dead on his Hands, his Security be unquestionable, and freed from Litigious Suits; by which Means, no Money will lye Dead in the Kingdom.

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B O T H Gentlemen and Traders may be supplied with Money to serve their Occasions, and the Charge of Interest to cease, as they can pay it in; whereby, Incumbrances on Estates may be sunk by Degrees, and

3.

and the Trade of the Nation may be Encouraged.

4. I T will give us such a Credit in Foreign Parts, as will draw their Money hither, and consequently their Trade and People, which will be of wonderfull Advantage to the Kingdom.

5. T H E Publick Revenues will Reach farther to serve the Occasions of the Nation, when every one being duly paid, will strive to supply it Cheapest.

6. R E T U R N S from Place to Place will be rendred both Cheap and Certain; which will be a great help to Trade, and prevent Robberies, occasioned by Travelling with Money; the Bills which are drawn in each Chamber, may be so framed, as to be of no use to any One, save the Right Proprietor; It will also keep the Money in the Country, that is now there, and Create a New Species in every Chamber, and Prevent many Cheats and Losses, now Occasioned by Fraudulent and Insufficient Drawers.

7. T H E Moneys of Widdows and Orphans will be safely lodged, and bring them a Certain Income, for their Maintenance.

8. T H E Funds settled on our Manufactures, or any Other which Discourage our Trade, or are heavy on our Poor, may be sunk by Degrees.

9. T H I S Bank will be freed from Stock-Jobbing, (the Bane of many good Designs) which will find no Room here, because it cannot

not be divided, into Private and Particular Shares.

THE Fishery may be Encouraged, Lands may be Improved, Fens may be Drained, Rivers made Navigable, Roads Repaired, and many other good and profitable Undertakings may be carried on, without the Charge of Procuration and Continuation; And our Wooll may be kept at home, by such Methods, as will be Beneficial to the Sheep-Masters, who will then give their helping hand thereto; whereas, all the Laws I have yet seen, having their Chief Strength grounded on Penalties, tend many times by Abuses in their Execution, to License what they should Prevent.

THERE are many other Advantages, that the Nation would Reap, which are too Numerous to be here set forth, but would soon appear in the Execution of it.

WHEN this Bank finds it self Enabled by Loans at Four per Cent. Interest, it may Supply the Government, sufficient to pay off such Debts, as they owe at Five, whereby it will immediately be Eased of One per Cent. and there is no doubt, but that a single Vote, will instantly furnish it with a Million of Money, at that Rate, to be continued therein for a Time certain, so that it shall not be liable to any Surprize, and probably with a far Greater Sum; and then the great Debts due to the several Incorporated Societies, may be Discharged in a short
B time,

time, or the Interest lessened by their own Consents; and the Funds Setled on them, may Return, to be Disposed of by the Parliament, as in their Wisdoms they shall think fit.

SUPPOSE then, that a Million of Money should be thus lent in the Month of *January*, the Government might immediately pay off so much of the Debt due to the ~~Bank~~, and the Nation will thereby save Ten Thousand Pounds *per Annum* in the Interest, and be Intituled to a proportionable Share of the Fund, setled by Act of Parliament, to make good the Interest of that Debt, which will in Effect then become a Security to the last Lenders, and then the Consequence will be, that either that Corporation will Receive the Money, and Divide it amongst their Members, or Lay it out in carrying on their Trade, or Pay therewith what they are Indebted on their Bonds, and in either of these Cases, it will soon Return again into the Bank, whereby the Government will be enabled to Pay off another Million of their Debts, and so *toties quoties*, Or else they will Continue their Money at *Four per Cent.* and other Corporations will follow their Examples, and the Nation will be Eased of One Hundred or Two Hundred Thousand Pounds *per Annum*, without putting a Force upon any Man.

AND

AND I cannot think, that any of those great Bodies, who have had the Honour to be Incorporated by Acts of Parliament, will be Unwilling to Receive their Money, when the Government is able to Pay it; the Original Design of their several Charters, being intended, to serve the Government, not to be a Load upon it; And for them to Insist on Promisary Clauses, or Doubtful Words in an Act of Parliament, which Proceeded only from the Abundant Grace and Favour of the Legislature, as it is Unnaturall, so is it also Unreasonable, where the Publick is Endamaged; especially, when neither their Charters, nor the Priviledges granted in them, are struck at, or called in Question.

AND as to the Exchequer Bills, and other Debts, which have no Funds at all Provided for them, and are therefore the Solicitations of every Parliament, they may be Discharged; and such Funds as are Prejudicial to our Manufactures, or Burthen-some to our Poor, may be Regulated, in such a manner, as on a Just Representation from the Committe of Trade, the Parliament shall think fit.

NOR will the Lending of Money to Private Borrowers at Five *per Cent.* which the Bank takes in at Four, bring with it a Small Advantage to the Publick, by the Overplus of One *per Cent.* And the Ease given to the Borrowers in their Payments,

will be no Prejudice to the Bank, who will never Want Opportunities of Lending it out again, and the Benefit will in time become so National, that the Credit of this Bank will be Supported by an Univerſal Conſent, whiſt no Man is forced to do any thing but what he is Willing; And the Remittances from Place to Place, as they will be of Service to all Ranks and Degrees, ſo they will by a conſtant Circulation keep the Bank fill'd with Running Caſh, beſides the Advantage they will bring to the Publick.

A N D all this will be rendered Eaſy, by Chambers conveniently Setled in the Country, and the Trade of this Kingdom will by degrees be brought to be very much Carried on for Ready-Money; And if Foreign Bills were likewiſe to be paid in Bank, it would be Attended with great Credit, and no ſmall Profit.

I F it be Doubted, whether this Bank will be Supplied with Loans at Four per Cent. (which is the Foundation whereon the whole Structure is built) it may ſoon be Reſolved, when it is Conſidered, that the *South-Sea*, and other Incorporated Stocks, Borrow at that Rate, and their Bonds are Sold for more then *Par*.

A N D if they can do this on the Credit of their Single Seals, ſupported by Particular Parliamentary Funds, whence ſhould any Doubt ariſe, whether a National Bank, Erected

Erected by the same Authority (which have Power, if they please, to make all the Lands and Personal Estates of *Great-Britain*, a Security to the Lenders) should not be Furnished with Loans, at the same Interest as they are, who Lend to the Government at *Five per Cent.* what they Borrow at Four, and have many times on those Loans, over and above their Interest, Obtained such Grants and Privileges, as have proved Prejudicial to our Trade, and Destructive to our Poor, which they Pretend are not to be Regulated, till their Money is paid in.

N O R is it One of the least Advantages the Nation will Reap by this Bank, that it will in a great Measure put an End to the Pernicious Trade of Stock-Jobbing, which in a former Reign, had such an Influence on sinking the Publick Credit, as to be the main Cause of the Load of Debts, which the Nation now Labours under; and hath ever since been Carried on by such Men, who have made it their Study, how they may deceive Unwary Purchasers; the great Motive to Buying of Stocks being, the Vast Sums of Money which lye dead on Mens hands, who hope thereby to make some Profit, but would be glad to dispose of it, on a Substantial Security, at a Moderate Interest.

A N D if this Bank be Extended to *Ireland*, as it may easily be done, it will be Advantageous to both Kingdoms, and Re-

duce Exchange between them to a Certainty; their Linnen Manufacture may be Encouraged, and many other Improvements made, at a Moderate Interest; and every one Rendered more Easy in their Circumstances, whilst a Profit arises to the Government, not Inconsiderable, towards Sinking the Nations Debts, which every Man will be Willing to pay.

AND those who are appointed to Lay out the Publick Money, such as the Commissioners of the Navy, the Victualing-Office, &c. would be Enabled to Purchase every thing on the Lowest Terms, if they were Directed to pass their Bills on this Bank, payable at the time of their Agreement, when their Bills shall be found to be as Punctually Discharged, as those of Foreign Exchange; and Men of Ingenuity and Industry, tho' of Small Stocks, would Strive, who should Furnish them Cheapest, when by these Bills, Passing from Man to Man in Payment, they are Enabled to go to Market again; whereby a New Species of Cash will be Created, which, in all Probability, will at last be Turned into Bank-Notes.

IF any Objections should arise to what is here Offered, I doubt not to give a Satisfactory Answer to them all.

IN the Year 1696 I Proposed a Scheme, much to the same Purpose with this, Differing only according to the Circumstances of

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the Times, which I then Printed, and I have Great Ground to believe, that Mr. Law Drew his Scheme from it, for the Service of France, as near as the Constitution of that Kingdom would admit; But since a National Bank cannot be Supported, where the Arbitrary Will of a Prince, can Withdraw, or Lessen its Security, at his Pleasure; I am of Opinion, that what he hath there Projected, tho' it hath Served the present Occasion, must End in Confusion, because it is Built on a Sandy Foundation; But it is Otherwise with This, for being Established by the Legislature, Nothing less then That can Shake it; and in a short time it will be so Interwoven with every Mans Interest, that it will Become, as it were, a Part of our Constitution.

H A D it Then been made Use of, I Doubt not, we had been several Millions less in Debt then now we are, and I do not think those Debts can be Discharged, or the Nation made Easy, any other Way; the Profits arising thereby will be very Considerable, and ought Rather to Center in the Publick, then in private Pockets.

T R A D E is the Foundation of our Wealth, but it is Mony that Circulates our Trade, and as the Bank of *England* hath been very helpful to this Metropolis in that Circulation, by making a Little serve the Uses of a Great deal, so the same Advantage

tage may be Carried into all Parts of the
 Kingdom, if Chambers were Settled where
 desired, and the Charge of Managing would
 be but Small; And the Eye of a Parliament
 under whose Directions it must Remain, will
 be Sufficient to Deter, such Officers as shall
 be Employed therein, from Offering any
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